

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1332 - SB 1150

March 28, 2011

SUMMARY OF BILL: Establishes a rebuttable presumption that returning an abused or neglected child to the custody of an abusive or neglectful parent is not in the best interest of the child.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$54,187,900

Increase Federal Expenditures - \$34,863,100

Assumptions:

- The Department of Children's Services (DCS) estimates that 6,085 youth in custody will be impacted by this bill. These 6,085 juveniles will stay in custody an additional 120 days at a cost of \$108 per day. Total number of additional days is 730,200 (6,085 x 120).
- Total increase in housing expenditures will be \$78,861,600 (\$108 x 730,200 per day).
- Of the \$78,861,600, 49 percent (\$38,642,184) will be TennCare funding. Of the TennCare funding, \$25,592,718 will be federal funds at a 66.23 percent match rate and \$13,049,466 (\$38,642,184 - \$25,592,718) will be state funds.
- Seven percent or \$5,520,312 (78,861,600 x 7%) will be new federal Title IV-E funding.
- The remaining \$34,699,104 [78,861,600 - (\$38,642,184 + \$5,520,312)] will be state funding.
- The increase in state funding for housing will be \$47,748,570 (\$13,049,466 TennCare + \$34,699,104).
- The increase in federal funding for housing will be \$31,113,030 (\$25,592,718 TennCare + \$5,520,312).
- DCS will hire 133 additional case managers at a cost of \$62,753 per manager with salary (\$34,400), benefits (\$13,353), and other expenditures (\$15,000); a total increase in personnel expenditures for case managers of \$8,346,149 (\$62,753 x 133).
- DCS will hire 27 new team leaders at a cost of \$68,268 with salary (\$38,900), benefits (\$14,368), and other expenditures (\$15,000); a total increase in personnel expenditures for team leaders of \$1,843,236 (\$68,268 x 27).
- Total cost for personnel will be \$10,189,385 (\$8,346,149 + \$1,843,236). Of this amount, 45 percent (\$4,585,223) will be TennCare funding. Of the TennCare funds, \$3,036,793 will be federal funds at 66.23 percent match rate and \$1,548,430 (\$4,585,223 - \$3,036,793) will be state funds.

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- Seven percent of the total personnel cost or \$713,257 ($10,189,385 \times 7\%$) will be new Title IV-E funding.
- The remaining \$4,890,905 [$\$10,189,385 - (\$4,585,223 + \$713,257)$] will be state funds.
- The increase in state funds for personnel will be \$6,439,335 ($\$1,548,430$ TennCare + \$4,890,905).
- The increase in federal funds for personnel will be \$3,750,050 ($\$3,036,793$ TennCare + \$713,257 Title IV-E funding).
- The total increase in state expenditures will be \$54,187,905 ($\$47,748,570$ housing + \$6,439,335 personnel).
- The total increase in federal expenditures will be \$34,863,080 ($\$31,113,030$ housing + \$3,750,050 personnel).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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